



General Assembly

Substitute Bill No. 854

January Session, 2001

***AN ACT CONCERNING ELIGIBILITY LEVELS FOR CONNPAGE PART
A.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (a) of section 17b-492 of the general statutes is
2 repealed and the following is substituted in lieu thereof:

3 (a) Eligibility for participation in the program shall be limited to any
4 resident (1) who is sixty-five years of age or older or who is disabled,
5 (2) whose annual income, if unmarried, is less than [thirteen thousand
6 eight hundred dollars] three hundred per cent of the federal poverty
7 level for a one person household, or whose annual income, if married,
8 when combined with that of [his] such resident's spouse is less than
9 [sixteen thousand six hundred dollars] three hundred per cent of the
10 federal poverty level for a two person household, (3) who is not
11 insured under a policy which provides full or partial coverage for
12 prescription drugs once a deductible amount is met, and (4) on and
13 after September 15, 1991, who pays an annual twenty-five-dollar
14 registration fee to the Department of Social Services. [On January 1,
15 1998, and annually thereafter, the] On and after July 1, 2001: (A) Any
16 married applicant may elect to apply for participation in the program
17 under the annual income for a one person household; and (B) when
18 applying for the program, any applicant may deduct from such
19 applicant's annual income verifiable medical and prescription drug
20 expenses incurred for such applicant during the twelve-month period

21 preceding the date of application. Any applicant who makes the
22 deduction contained in subparagraph (B) of this subdivision shall
23 make available for review by the Department of Social Services
24 documentation of the claimed medical and prescription drug expenses.
25 The commissioner shall annually, by the adoption of regulations in
26 accordance with chapter 54, increase the income limits established
27 under this subsection over those of the previous fiscal year to reflect
28 the annual inflation adjustment in Social Security income, if any, or
29 any change in the federal poverty levels, whichever is higher. Each
30 such adjustment shall be determined to the nearest one hundred
31 dollars.

32 Sec. 2. Subsection (c) of section 17b-492 of the general statutes is
33 repealed and the following is substituted in lieu thereof:

34 (c) Any eligible resident who (1) is insured under a policy [which]
35 that provides full or partial coverage for prescription drugs, and (2)
36 expects to exhaust such coverage, may apply to participate in the
37 program prior to the exhaustion of such coverage. Such application
38 shall be valid for the applicable income year. To be included in the
39 program, on or after the date the applicant exhausts such coverage,
40 [he] the applicant or [his] the applicant's designee shall notify the
41 department that such coverage is exhausted and, if required by the
42 department, shall submit evidence of exhaustion of coverage. Not later
43 than ten days after an eligible resident submits such evidence, [he] the
44 resident shall be included in the program. The program shall (A) cover
45 prescriptions that are not covered by any other plan of insurance or
46 assistance available to the eligible resident and that meet the
47 requirements of this chapter, and (B) retroactively cover such
48 prescriptions filled after or concurrently with the exhaustion of such
49 coverage. Nothing in this subsection shall be construed to prevent a
50 resident from applying to participate in the program as otherwise
51 permitted by this chapter and regulations adopted pursuant to this
52 chapter.

53 Sec. 3. Section 17b-274 of the general statutes is repealed and the

54 following is substituted in lieu thereof:

55 (a) The Commissioner of Social Services shall pay a pharmacist a
56 professional dispensing fee of fifty cents per prescription, in addition
57 to any other dispensing fee, for substituting a generically equivalent
58 drug product, in accordance with section 20-619, for the drug
59 prescribed by the licensed practitioner for a Medicaid recipient,
60 provided the substitution is not required by federal law or regulation.

61 (b) The Division of Criminal Justice shall periodically investigate
62 pharmacies to ensure that the state is not billed for a brand name drug
63 product when a less expensive generic substitute drug product is
64 dispensed to a Medicaid recipient. The Commissioner of Social
65 Services shall cooperate and provide information as requested by such
66 division.

67 (c) A licensed medical practitioner may specify in writing or by a
68 telephonic or electronic communication that there shall be no
69 substitution for the specified brand name drug product in any
70 prescription for a Medicaid, state-administered general assistance,
71 general assistance or ConnPACE recipient, provided (1) the
72 practitioner specifies the basis on which the brand name drug product
73 and dosage form is medically necessary in comparison to a chemically
74 equivalent generic drug product substitution, and (2) the phrase
75 "brand medically necessary" shall be in the practitioner's handwriting
76 on the prescription form or, if the prohibition was communicated by
77 telephonic communication, in the pharmacist's handwriting on such
78 form, and shall not be preprinted or stamped or initialed on such form.
79 If the practitioner specifies by telephonic communication that there
80 shall be no substitution for the specified brand name drug product in
81 any prescription for a Medicaid, state-administered general assistance,
82 general assistance or ConnPACE recipient, written certification in the
83 practitioner's handwriting bearing the phrase "brand medically
84 necessary" shall be sent to the dispensing pharmacy within ten days. A
85 pharmacist shall dispense a generically equivalent drug product for
86 any drug listed in accordance with the Code of Federal Regulations

87 Title 42 Part 447.332 for a drug prescribed for a Medicaid, state-
88 administered general assistance, general assistance or ConnPACE
89 recipient unless the phrase "brand medically necessary" is ordered in
90 accordance with this subsection. [and such pharmacist has received
91 approval to dispense the brand name drug product in accordance with
92 subsection (d) of this section.]

93 [(d) The Commissioner of Social Services shall establish a procedure
94 by which a pharmacist shall obtain approval from an independent
95 pharmacy consultant acting on behalf of the Department of Social
96 Services, under an administrative services only contract, whenever the
97 pharmacist dispenses a brand name drug product to a Medicaid, state-
98 administered general assistance, general assistance or ConnPACE
99 recipient and a chemically equivalent generic drug product
100 substitution is available, provided such procedure shall not require
101 approval for other than initial prescriptions for such drug product. If
102 such approval is not granted or denied within two hours of receipt by
103 the commissioner of the request for approval, it shall be deemed
104 granted. The pharmacist may appeal a denial of reimbursement to the
105 department based on the failure of such pharmacist to substitute a
106 generic drug product in accordance with this section.]

107 [(e)] (d) A licensed medical practitioner shall disclose to the
108 Department of Social Services, [or such consultant,] upon request, the
109 basis on which the brand name drug product and dosage form is
110 medically necessary in comparison to a chemically equivalent generic
111 drug product substitution. [The Commissioner of Social Services shall
112 establish a procedure by which such a practitioner may appeal a
113 determination that a chemically equivalent generic drug product
114 substitution is required for a Medicaid, state-administered general
115 assistance, general assistance or ConnPACE recipient.]

116 Sec. 4. Section 17b-491a of the general statutes is repealed and the
117 following is substituted in lieu thereof:

118 [(a) The Commissioner of Social Services may establish a plan for

119 the prior authorization of (1) any initial prescription for a drug covered
120 under the Medicaid, state-administered general assistance, general
121 assistance or ConnPACE program that costs five hundred dollars or
122 more for a thirty-day supply, or (2) any early refill of a prescription
123 drug covered under any of said programs the Medicaid, state-
124 administered general assistance, general assistance or ConnPACE
125 program. The Commissioner of Social Services shall establish a
126 procedure by which prior authorization under this subsection shall be
127 obtained from an independent pharmacy consultant acting on behalf
128 of the Department of Social Services, under an administrative services
129 only contract. If prior authorization is not granted or denied within
130 two hours of receipt by the commissioner of the request for prior
131 authorization, it shall be deemed granted.]

132 [(b)] (a) The Commissioner of Social Services shall, to increase cost-
133 efficiency or enhance access to a particular prescription drug, establish
134 a plan under which the commissioner may designate specific suppliers
135 of a prescription drug from which a dispensing pharmacy shall order
136 the prescription to be delivered to the pharmacy and billed by the
137 supplier to the department. For each prescription dispensed through
138 designated suppliers, the department shall pay the dispensing
139 pharmacy a handling fee not to exceed four hundred per cent of the
140 dispensing fee established pursuant to section 17b-280. In no event
141 shall the provisions of this subsection be construed to allow the
142 commissioner to purchase all prescription drugs covered under the
143 Medicaid, state-administered general assistance, general assistance and
144 ConnPACE programs under one contract.

145 [(c)] (b) Notwithstanding the provisions of section 17b-262 and any
146 regulation adopted thereunder, on or after July 1, 2000, the
147 Commissioner of Social Services may establish a schedule of maximum
148 quantities of oral dosage units permitted to be dispensed at one time
149 for prescriptions covered under the Medicaid, state-administered
150 general assistance and general assistance programs based on a review
151 of utilization patterns.

152 [(d)] (c) A plan or schedule established pursuant to subsection (a) [,
153 or (b) [or (c)] of this section and any revisions thereto shall be
154 submitted to the joint standing committees of the General Assembly
155 having cognizance of matters relating to public health, human services
156 and appropriations and the budgets of state agencies. Within sixty
157 days of receipt of such a plan or schedule or revisions thereto, said
158 joint standing committees of the General Assembly shall approve or
159 deny the plan or schedule or any revisions thereto and advise the
160 commissioner of their approval or denial of the plan or schedule or
161 any revisions thereto. The plan or schedule or any revisions thereto
162 shall be deemed approved unless all committees vote to reject such
163 plan or schedule or revisions thereto within sixty days of receipt of
164 such plan or schedule or revisions thereto.

165 Sec. 5. This act shall take effect July 1, 2001.

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JOINT FAVORABLE SUBST. C/R

APP